APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
10/667,459	09/23/2003	Douglas W. Gerhart	09232.0001	9476

22852　　　7590　　　12/01/2006	EXAMINER
FINNEGAN, HENDERSON, FARABOW, GARRETT & DUNNER LLP 901 NEW YORK AVENUE, NW WASHINGTON, DC　20001-4413	HAVAN, THU THAO

ART UNIT	PAPER NUMBER
3691	

DATE MAILED: 12/01/2006

Please find below and/or attached an Office communication concerning this application or proceeding.

-- *The MAILING DATE of this communication appears on the cover sheet with the correspondence address* --

Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE <u>3</u> MONTH(S) OR THIRTY (30) DAYS, WHICHEVER IS LONGER, FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133).
  Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

Status

1)☒ Responsive to communication(s) filed on <u>14 September 2006</u>.

2a)☒ This action is **FINAL**.   2b)☐ This action is non-final.

3)☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

Disposition of Claims

4)☒ Claim(s) <u>1-20</u> is/are pending in the application.

    4a) Of the above claim(s) _____ is/are withdrawn from consideration.

5)☐ Claim(s) _____ is/are allowed.

6)☒ Claim(s) <u>1-20</u> is/are rejected.

7)☐ Claim(s) _____ is/are objected to.

8)☐ Claim(s) _____ are subject to restriction and/or election requirement.

Application Papers

9)☐ The specification is objected to by the Examiner.

10)☐ The drawing(s) filed on _____ is/are: a)☐ accepted or b)☐ objected to by the Examiner.

    Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).

    Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).

11)☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

Priority under 35 U.S.C. § 119

12)☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).

    a)☐ All   b)☐ Some * c)☐ None of:

      1.☐ Certified copies of the priority documents have been received.

      2.☐ Certified copies of the priority documents have been received in Application No. _____.

      3.☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

    * See the attached detailed Office action for a list of the certified copies not received.

Attachment(s)

1)☐ Notice of References Cited (PTO-892)

2)☐ Notice of Draftsperson's Patent Drawing Review (PTO-948)

3)☐ Information Disclosure Statement(s) (PTO/SB/08)
    Paper No(s)/Mail Date _____.

4)☐ Interview Summary (PTO-413)
    Paper No(s)/Mail Date. _____.

5)☐ Notice of Informal Patent Application

6)☐ Other: _____.

DETAILED ACTION

Response to Amendment

Claims 1-20 are pending. This action is in response to the remarks received September 14, 2006.

Response to Arguments

The rejection of claims 1-20 under 35 U.S.C. 103(a) as being unpatentable by Parthasarathy (US publication no. 2003/0036993) in view of Frattalone (US 2002/0019793) is maintained.

Upon a closer examination, Applicant's arguments filed September 14, 2006 have been fully considered but they are not persuasive.

In response to the arguments concerning the previously rejected claims the following comments are made:

A.) In response to applicant's argument that the references fail to show certain features of applicant's invention, it is noted that the features upon which applicant relies (i.e., providing, to a plurality of lenders and the plurality of borrowers, information about the plurality of offers to borrow) are not recited in the rejected claim 1 and (i.e., creating without an option to alter attributes of the firm offer to lend and attributes of the firm offer to borrow, a secured loan between any borrowers or lenders identified by the set of entries that match attributes of the offer and a borrower or lender specified by the offer) are not recited in the rejected claim 3. Although the claims are interpreted in light of the

specification, limitations from the specification are not read into the claims. See *In re*

Van Geuns, 988 F.2d 1181, 26 USPQ2d 1057 (Fed. Cir. 1993).

B.) Applicant alleges that the prior art made of record fails to teach providing, to a

plurality of lenders and the plurality of borrowers, information about the plurality of offers

to borrow. The examiner disagrees with applicant's representative since Parthasarathy

teaches providing, to a plurality of lenders and the plurality of borrowers, information

about the plurality of offers to borrow when he discloses the step of accepts data from a

lender/borrower (lender data) via a computer network from one or more prospective

lenders/borrowers (para. 0012 and 0015). In other words, Parthasarathy facilitates

multiple simultaneous communications between each prospective borrower with one or

more of the prospective lenders whose lender data matches with the borrower data of

the prospective borrower. The method further facilitates the prospective borrower to

negotiate the terms of the borrowing with multiple lenders simultaneously. He also

facilitates multiple simultaneous negotiations between each prospective lender with one

or more of the prospective borrower whose borrowing data matches with the lender data

of the prospective lender. When multiple borrowers and lenders negotiate terms and

offers then it involves a plurality of lenders and borrowers dealing with information about

the plurality of offers to borrowers/lenders.

C.) Applicant alleges that the prior art made of record fails to teach firm offer. The

examiner disagrees with applicant's representative since Frattalone teaches firm offer

when he discloses fixed rate loan (para. 0028). A fixed rate loan is a firm/rigid and

unchangeable offer once it's implement.

With regards to the claims rejected as taught by Parthasarathy and Frattalone,

the examiner would like to point out that the references teach the claimed limitations

and thus provides adequate support for the claimed limitations. Therefore, the

examiner maintains that Parthasarathy and Frattalone taught the claimed limitations.

Claim Rejections - 35 USC § 103

The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all

obviousness rejections set forth in this Office action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negatived by the manner in which the invention was made.

Claims **1-20** are rejected under 35 U.S.C. 103(a) as being unpatentable over

Parthasarathy (US publication no. 2003/0036993) in view of Frattalone (US

2002/0019793).

Re claim **1**, Parthasarathy teaches a system for managing a market for

collateralized loans (para. 0016), comprising:

a database comprised of entries of [borrowing and lending], wherein each entry

for [borrowing information] includes data identifying a desired loan asset, data

identifying collateral for the desired loan asset, and a unique identification of a borrower,

and wherein each entry for [lending information] includes a unique identification of a

lender and data specifying conditions under which the lender will supply a loan to a

borrower, and wherein [the borrowing and lending information] from the database is

made available to borrowers and lenders (para. 0012 and 0013); and

a computer for maintaining and querying the database and for receiving a query,

and in response to the query, the computer (para. 0035 and 0157):

determining whether the query constitutes an offer to borrow or an offer to lend

an asset (para. 0045, 0048, and 0088),

based on a result of the determination, locating in the database a set of entries

that match attributes of the offer (para. 0047),

upon locating a match, using collateral identified in the set of entries that match

attributes of the offer when it is determined that the query constitutes an offer to lend an

asset and collateral identified in the query when it is notifying parties concerning the

secured loan (para. 0048-0049, 0051, 0054, and 0045). *In other words, Parthasarathy*

discloses loan collateral with the users having the option of choosing from a number of

alternative forms of matching the lender data to the borrower data. The user can enter

the user's lending offer or the borrowing request. This is referred to as the first set of

parameters. In that the user enjoys the flexibility in prescribing the first set of

parameters. For example, not only can the user define the details of the first set of

parameters, but can also indicate which, if any, of the parameters are negotiable, and

which are not. Furthermore, the type of collateral under consideration could be capital,

securities, a bank guarantee, real property, or personal property.

However, Parthasarathy does not explicitly teach the limitations of "firm offers to

borrow and firm offers to lend; and creating without an option to alter attributes of the

firm offer to lend and attributes of the firm offer to borrow, a secured loan between any borrowers or lenders identified by the set of entries that match attributes of the offer and a borrower or lender specified by the offer." On the other hand, Frattalone discloses firm offers to borrow and firm offers to lend; and creating without an option to alter attributes of the firm offer to lend and attributes of the firm offer to borrow, a secured loan between any borrowers or lenders identified by the set of entries that match attributes of the offer and a borrower or lender specified by the offer (para. 0040-0043 and 0054; figs. 1-2). He discloses favorable financing will be obtainable as a consequence of the financing being collateralized by a portfolio under the investment firm's management and control. These collateralized items to be investment vehicles are unable to be altered due to the pledge as initial collateral for the underlying assets of a particular firm. The firms have total control of lending, borrowing, and creating collateralized loans. Thus, it would have been obvious to one of ordinary skill in the art to create without an option to alter attributes in relation to collateralized loans as managed by a firm for borrowing and lending information as discloses in Frattalone.

Re claim **2**, Parthasarathy teaches servicing the secured loan according to the data specifying conditions under which the lender will supply a loan to a borrower (para. 0044, 0063, and 0017). *Parthasarathy discloses the collateral is in the form of a pledge on securities or bank guarantees, it could be verified with the depositories, banks, public debt offices or the concern authorities. In addition, Parthasarathy teaches according to the data specifying conditions when he discloses the method of evaluating that the collateral is in the amount and type as purported by the prospective borrower.*

Re claims **3, 12,** and **20**, Parthasarathy teaches a method, system, and a computer program as claimed in claim 1. Therefore the rationale applied in the rejection of claim 1 applies herein.

Re claims **4** and **13**, Parthasarathy teaches servicing the secured loan according to the attributes of the lender's offer to lend and the attributes of the borrower's offer to borrow (para. 0035 and 0012). *Parthasarathy specifically discloses the claimed limitation when he discloses that the users typically comprise potential borrowers and potential lenders, who are accessing the forum in search of a matched borrower or lender according to specific loan requests provided to the forum by each user.*

Re claims **5** and **14**, Parthasarathy teaches monitoring a value of the fungible collateral asset periodically and requesting an additional fungible collateral asset from the borrower if the value of the fungible collateral asset is less than a predetermined value (para. 0017).

Re claims **6** and **15**, Parthasarathy teaches determining whether the secured loan has reached maturity according to the loan term, determining whether the borrower has provided the loaned asset and a loan fee, when the loan reaches maturity, and transferring the fungible collateral asset to the lender if the borrower has not provided the loaned asset and a loan fee when the loan reaches maturity (para. 0018-0019).

Re claims **7** and **16**, Parthasarathy teaches transferring the loaned asset from the lender to an operator and transferring the loaned asset from the operator to a borrower (para. 0016, 0018, and 0081).

Re claims **8** and **17**, Parthasarathy teaches comparing the attributes of an offer to lend to the attributes of each of the plurality of offers to borrow when the offer to lend is received (para. 0039). *The parameters of the prospective loan correspond to the attributes as claimed because both disclose characters of the loans.*

Re claims **9** and **18**, Parthasarathy teaches comparing the attributes of each of the received plurality of offers to lend to the attributes of each of the plurality of offers to borrow at a predetermined time (para. 0046, 0069, and 0082).

Re claims **10** and **19**, Parthasarathy teaches fungible collateral asset is a specified quantity of a specified homogenous asset, and wherein the specified homogenous asset is one of the group comprising: a specific common stock, a specific bond, and cash (para. 0046).

Re claim **11**, Parthasarathy teaches fungible collateral asset is a portfolio of various fungible assets (para. 0081-0082). *As defined in paragraph 0072 of present application, Applicant defines the assets that are provided as collateral for loans are fungible assets. Correspondingly, Parthasarathy discloses collections of assets and securities for the collateralized loans.*

Conclusion

THIS ACTION IS MADE FINAL. Applicant is reminded of the extension of time policy as set forth in 37 CFR 1.136(a).

A shortened statutory period for reply to this final action is set to expire THREE MONTHS from the mailing date of this action. In the event a first reply is filed within TWO MONTHS of the mailing date of this final action and the advisory action is not
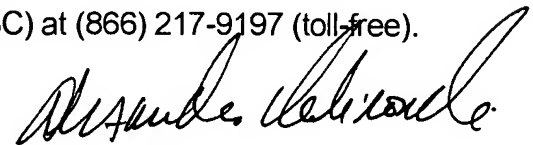
mailed until after the end of the THREE-MONTH shortened statutory period, then the shortened statutory period will expire on the date the advisory action is mailed, and any extension fee pursuant to 37 CFR 1.136(a) will be calculated from the mailing date of the advisory action. In no event, however, will the statutory period for reply expire later than SIX MONTHS from the mailing date of this final action.

Any inquiry concerning this communication or earlier communications from the examiner should be directed to Thu Thao Havan whose telephone number is (571) 272-8111. The examiner can normally be reached on Monday-Friday.

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, Alexander Kalinowski can be reached on (571) 272-6771. The fax phone number for the organization where this application or proceeding is assigned is (571) 273-8300.

Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for unpublished applications is available through Private PAIR only. For more information about the PAIR system, see http://pair-direct-uspto.gov. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at (866) 217-9197 (toll-free).

TTH
11/17/2006

ALEXANDER KALINO
SUPERVISORY PATENT EXAMINER